

**Washington State Real Estate Appraiser Commission
REGULAR MEETING MINUTES**

DATE: February 17, 2006

TIME: 9:03 A.M.

PLACE: Department of Licensing
Driver Examining Station
2502 112th Street East
Tacoma, WA 98445

MEMBERS

PRESENT: Brent Palmer, Chair, Real Estate Appraiser Commission
Cheryl K. Farivar, Vice Chair, Real Estate Appraiser Commission
Dean Potter, Commissioner
John P. Fredrickson, Commissioner
Michael Lightbourne, Commissioner
Mary Bandy, Commissioner

MEMBERS

ABSENT: Stephen Juntala, Commissioner

STAFF

PRESENT: Ralph Birkedahl, Program Manager
Joan Robinson, Professional Licensing Manager
Lee Malott, Administrator
Jerry McDonald, Assistant Administrator
Sandra Spencer, Investigations Manager
Art Abrahamson, Audit Manager
Jana Jones, Policy and Project Deputy

INTRODUCTORY BUSINESS

1. CALL TO ORDER

Brent Palmer, Chair called the Real Estate Appraiser meeting to order at 9:03 am.
(The meeting was undertaken without the benefit of electric power and as such, there is no other record) Mr. Palmer introduced Mary Bandy, the newest member of the Commission.

1.1 Approval of November 18, 2005 Meeting Minutes:

ACTION November 18, 2005 minutes deferred to the next Commission meeting for approval.

1.2 Approval of Agenda:

MOTION: It was moved and seconded to approve the agenda as published.
Motion passed.

2. REPORTS

2.1 State of the Program:

Ralph Birkedahl reported there was a change in program staff. He introduced Joan Robinson, the new Professional Licensing Manager, Art Abrahamson, Audit Manager, and stated that he has been assigned the permanent Program Manager position. He also introduced Business and Professions staff in attendance.

Mr. Birkedahl reported on the state of the program to include statistics relating to licensing transactions and investigations.

ACTION: Mr. Birkedahl to research the number of appraisers in each category of licensure and the number of complaints per category and report findings at the next commission meeting.

2.2 Education Work Group:

Michael Lightbourne brought a proposal to the Commission regarding the certification of all Real Estate Appraisal Instructors similar to the Real Estate Commission. Currently, there are no specific guidelines in place. Mr. Lightbourne suggested that the Commission work with the Department of licensing to standardize all Real Estate Instructors qualifications.

The Commission remanded this issue back to the work group for further clarification of needed changes and benefits of the proposed "Instructor Certification."

3. NEW BUSINESS

3.1 Governor's Boards & Commissions Conference:

ACTION This item deferred to next Real Estate Appraiser Commission meeting.

3.2 Requests for Comparable Sales:

Brent Palmer invited the commissioner to comment concerning when sales data constitutes an appraisal. The Commission reported that often lenders are asking for a preliminary appraisal when the appraiser has not seen the property. There are times when a lender will ask an appraiser to meet a certain number. The appraiser needs to educate the lender to stop this

practice. The Department of Licensing takes this seriously as a Uniform Standards of Professional Appraisal Practice (USPAP) violation.

George Nervik discussed a letter he submitted to the Department of Financial Institutions (DFI) asking for an opinion on several items and the Departments response.

MOTION: It was moved and seconded to appoint a task force consisting of Cheryl Farivar, Mary Bandy, and Michael Lightbourne to review the letter from DFI and draft a position statement addressing this comparable sale issue. Motion passed.

3.3 Elimination of the State-Licensed Real Estate Appraiser Classification:

Ralph Birkedahl surveyed other jurisdictions regarding the elimination of the State-Licensed Real Estate Appraiser category and received (10), ten responses. Out of the (10) ten that responded, no one had eliminated this classification. Mr. Birkedahl also discussed the right to work issue.

Bill King stated that someone at today's license level does not have to meet the 2008 licensing criteria. Mr. King said that we need someday to move them up to the 2008 certification standard.

ACTION: Item for discussion on next meeting agenda.

3.4 Special Meeting for Public Input for the Commission's 2006-2007 Work plan:

The Commission had a brief discussion on this topic.

MOTION: It was moved and seconded to recommend the scheduling of a special meeting on a date in late spring to obtain input for the Commission's 2006- 2007 Work Plan. Two hours should be set-aside for public comment. Motion passed.

3.5 USPAP Training for Commissioners/Staff:

The Commission discussed the need for USPAP training for Commissioners and staff.

MOTION: It was moved and seconded to recommend the proposed training for Commissioners and staff on USPAP be part of the special meeting addressed in Section 3.4. Motion passed.

3.6 Appraisal Subcommittee Visit Report:

Jenny Tidwell and Vicky Ledbetter gave a presentation to the Commission on their findings on a recent audit of the Real Estate Appraiser program. Ms. Tidwell said other than a few minor corrections that need to be made everything looks great. The official report will be out to the Department of Licensing in mid to late April.

4. OPEN FORUM

There were several people who spoke at the open forum to include George Nervik, David Santhuff, Pete Rogerson, and Anthony Myles. David Santhuff, former Program Manager for the Real Estate Appraiser's Commission requested that the Commission conduct a full review of the revenues and expenditures related to actual Real Estate Appraiser program costs and expenses for the last (4) four years. Mr. Santhuff requested emphasis on overhead cost, investigations, attorney general billing, Department staff travel expenses, and contracts and services.

MOTION: It was moved and seconded to approve the Washington Real Estate Appraiser Commission to forward the Director of the Department of Licensing a recommendation for an independent audit of the Appraiser Program since it became a dedicated fund. This audit should have specific emphasis on the following categories:

1. The Attorney General billing of the Appraiser program for services.
2. Actual expense costs required administering the Appraiser program as a self-supporting fund.
3. The continuing cost borne by the Appraiser program to comply with public disclosure requests. (It is the Commissions opinion that public disclosure should not be the burden of any self-supporting fund but rather should be borne by the General Fund of the state of Washington. This cost should not be paid by licensing fees, as public disclosure is a benefit to the citizens of the state of Washington.

Motion Passed.

5. ADJOURNMENT

There being no other business, the meeting was adjourned by Chair Palmer at 12:00p.m.

Submitted by:

Original Signed _____

Ralph Birkedahl
Program Manager

Date

Approved by:

Original Signed _____

Brent Palmer
Commission Chair
